



# Department of Justice

FOR IMMEDIATE RELEASE  
FRIDAY, AUGUST 6, 2004  
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## **TANKER FIRM SENTENCED FOR CONCEALING DUMPING OF WASTE OIL**

### ***Largest Ever \$2.1 Million Bounty Awarded to Crew Member Whistle-blower***

WASHINGTON, D.C. - Thomas L. Sansonetti, Assistant Attorney General for the Justice Department's Environment and Natural Resources Division, and Christopher J. Christie, U.S. Attorney for the District of New Jersey, announced today that a Connecticut-based shipping company that transports petroleum products in the United States and abroad was sentenced to pay \$4.2 million for illegally concealing the dumping of thousands of gallons of waste oil and sludge at sea.

U.S. District Judge Katharine S. Hayden ordered OMI Corporation, to pay a \$4.2 million fine and serve three years of probation. Judge Hayden also awarded \$2.1 million of the fine to a former OMI crew member who reported the crimes to the government. The reward, issued under a bounty provision in the Act to Prevent Pollution from Ships, is the largest ever, which allows the Court to award up to ½ of the criminal fine to those providing information leading to conviction.

In pleading guilty, OMI admitted that it had deliberately discharged waste oil, sludge and oily-water mixtures directly overboard from the oil tanker *Guadalupe* without the use of required pollution prevention equipment known as an Oil Water Separator. The Oil Water Separator is designed to separate out harmful quantities of oil so that they could be incinerated on the ship or properly disposed on shore. Instead, the company intentionally polluted by circumventing this key equipment with the use of a bypass hose. The deliberate discharges were then concealed in a false and fictitious Oil Record Book, a required log in which all overboard discharges must be accurately recorded and which is regularly inspected by the U.S. Coast Guard.

The government learned about OMI's criminal conduct from an individual who once served as a member of the engine room department on the *Guadalupe*. In September, 2001, when the ship arrived in Carteret, New Jersey, the ship's 2<sup>nd</sup> Engineer walked off the ship and directly to the local police department where he reported that he was being ordered to engage in criminal activity. At sentencing, prosecutors informed the Court that the crew member had risked his career with OMI and the industry in coming forward and qualified for an award under the statute.

"This case should send a message that polluting our environment and lying to the government will not be tolerated," said Tom Sansonetti, Assistant Attorney General for the Justice Department's Environment and Natural Resources Division.

“This prosecution demonstrates the continuing commitment of the United States Attorney’s Office to aggressively prosecute environmental crimes,” said Christopher J. Christie, U.S. Attorney for the District of New Jersey.

The ship’s Captain, Ashok Kumar, and Chief Engineer, Elangovan Mani, have also pled guilty and are awaiting sentencing. After learning of the discharges, the Captain of the ship participated in efforts to cover up what had happened from U.S. Coast Guard inspectors. The Chief Engineer was charged with making false statements in the Oil Record Book.

The prosecution case is part of a longstanding initiative by the Department of Justice, in partnership with the U.S. Coast Guard and EPA, to detect and deter crimes related to deliberate pollution caused by ships.

Sansonetti and Christie credited Special Agents of the U.S. Coast Guard Investigative Service for the Northeast Region; EPA’s Region II Criminal Investigation Division and the U.S. Department of Transportation Office of Inspector General for their outstanding investigative work. The case was prosecuted by the U.S. Attorney’s Office for the District of New Jersey and the Environmental Crimes Section of the U.S. Department of Justice.

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